

**PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS**

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2015

**KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
MARYSVILLE, KANSAS 66508**

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Board of Education
Prairie Hills Unified School District No. 113
Sabetha, Kansas 66534

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Prairie Hills Unified School District No. 113, Sabetha, Kansas, as of and for the year ended June 30, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 C. to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of The United States, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness

of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 C. of the financial statement, the financial statement is prepared by Prairie Hills Unified School District No. 113, Sabetha, Kansas, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 C. and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Prairie Hills Unified School District No. 113, Sabetha, Kansas, as of June 30, 2015, or the changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

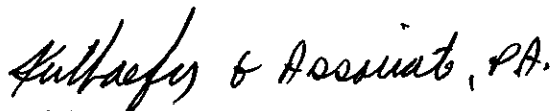
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Prairie Hills Unified School District No. 113, Sabetha, Kansas, as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1 C.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 12, 2015, on our consideration of the Prairie Hills Unified School District No. 113, Sabetha, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Prairie Hills Unified School District No. 113, Sabetha, Kansas' internal control over financial reporting and compliance.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures - agency funds, and schedule of regulatory basis receipts, expenditures and unencumbered cash - activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The Comparison of Depository Security with Funds on Deposit (Schedule 5 as listed in the table of contents) is not a required part of the basic financial statement. The Schedule of Expenditures of Federal Awards, Schedule of Findings and Questioned Costs, and Schedule of Prior Year Audit Findings are presented for analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1 C.



Kickhaefer & Associate, P.A.
Marysville, Kansas
October 12, 2015

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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**PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS**

FINANCIAL INFORMATION

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

STATEMENT 1
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SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FUNDS	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELED ENCUMBRANCES	RECEIPTS	EXPENDITURES	UNENCUMBERED CASH BALANCE	ADD OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
GENERAL FUNDS							
GENERAL	\$ 94.02	\$ 0.00	\$ 8,583,210.96	\$ 8,583,304.98	\$ 0.00	\$ 270,894.86	\$ 270,894.86
SUPPLEMENTAL GENERAL	98,991.59	0.00	2,409,664.23	2,488,805.00	19,850.82	0.00	19,850.82
SPECIAL PURPOSE FUNDS							
CAPITAL OUTLAY	1,840,817.85	0.00	812,851.30	533,733.24	2,119,935.91	0.00	2,119,935.91
DRIVER TRAINING	35,870.66	0.00	19,806.50	17,437.33	38,239.83	0.00	38,239.83
FOOD SERVICE	239,172.00	0.00	664,653.37	673,870.41	229,954.96	0.00	229,954.96
PROFESSIONAL DEVELOPMENT	79,616.81	0.00	35,000.00	39,899.92	74,716.89	0.00	74,716.89
BILINGUAL EDUCATION	0.00	0.00	771.00	771.00	0.00	0.00	0.00
SPECIAL EDUCATION	702,935.06	0.00	1,314,128.47	1,250,617.98	766,445.55	0.00	766,445.55
KPERS SPECIAL RETIREMENT CONTRIBUTION	0.00	0.00	693,811.70	693,811.70	0.00	0.00	0.00
VOCATIONAL EDUCATION	206,168.24	0.00	375,883.08	371,508.32	210,543.00	0.00	210,543.00
CONTINGENCY RESERVE	812,762.69	0.00	826,340.88	946.91	1,638,156.66	0.00	1,638,156.66
AT RISK (4 YR OLD)	30,000.64	0.00	60,945.81	60,945.81	30,000.00	0.00	30,000.00
AT RISK (K-12)	131,868.41	0.00	503,159.05	503,331.55	131,695.91	0.00	131,695.91
TEXTBOOK RENTAL	136,766.29	0.00	90,180.62	106,118.65	120,828.26	0.00	120,828.26
GREEN SCHOOLS GRANT	(1,282.43)	0.00	2,740.93	1,458.50	0.00	0.00	0.00
CARL PERKINS GRANT	135.00	0.00	4,336.85	4,336.85	135.00	0.00	135.00
GIFTS AND DONATIONS	475.16	0.00	0.00	0.00	475.16	0.00	475.16
PEP GRANT	(2,628.45)	0.00	55,102.77	52,441.69	32.63	0.00	32.63
HRSA GRANT	0.00	0.00	11,616.07	11,616.07	0.00	0.00	0.00
TITLE I FY 15	0.00	0.00	124,668.00	124,668.00	0.00	0.00	0.00
TITLE II - A FY 15	0.00	0.00	49,789.00	49,789.00	0.00	0.00	0.00
GATE RECEIPTS FUNDS	81,858.50	0.00	158,842.11	197,499.56	43,001.05	0.00	43,001.05
SCHOOL PROJECT FUNDS	197,339.63	0.00	255,163.04	258,170.89	194,331.78	0.00	194,331.78
CAPITAL PROJECTS FUND:							
CONSTRUCTION AND BUILDING IMPROVEMENT	1,787,242.58	0.00	13,387.80	100,000.00	1,700,630.38	0.00	1,700,630.38
DEBT SERVICE FUND							
BOND AND INTEREST FUND-(#441)	583,507.04	0.00	583,227.59	584,343.76	602,390.87	0.00	602,390.87
BOND AND INTEREST FUND-(#488)	294,363.48	0.00	362,751.53	218,300.00	438,815.01	0.00	438,815.01
NONEXPENDABLE TRUST FUNDS--							
MILLS MEMORIAL SCHOLARSHIP	10,436.19	0.00	169.00	169.00	10,436.19	0.00	10,436.19
HEIMAN-DICK SCHOLARSHIP	24,000.00	0.00	168.00	168.00	24,000.00	0.00	24,000.00
EXPENDABLE TRUST FUNDS--							
SOURK MEMORIAL SCHOLARSHIP	950.67	0.00	8.81	0.00	959.48	0.00	959.48
ROTHFELDER SCHOLARSHIP	11,651.45	0.00	81.92	1,000.00	10,733.37	0.00	10,733.37
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 7,302,913.08	\$ 0.00	\$ 18,012,460.39	\$ 16,909,064.76	\$ 8,406,308.71	\$ 270,894.86	\$ 8,677,203.57

THE NOTES TO THE FINANCIAL STATEMENT ARE AN INTEGRAL PART OF THIS STATEMENT.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

STATEMENT 1
PAGE 2 OF 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ENDING CASH BALANCE
COMPOSITION OF CASH	
CASH IN BANK, UNITED BANK & TRUST, SABETHA, KANSAS	
- ACCOUNTS	\$ 2,653,140.25
- CERTIFICATE OF DEPOSITS	85,942.27
SUBTOTAL	<u>2,739,082.52</u>
CASH IN BANK, WETMORE NATIONAL BANK, WETMORE, KANSAS	
- ACCOUNTS	35,401.26
- CERTIFICATE OF DEPOSIT	75,000.00
SUBTOTAL	<u>110,401.26</u>
CASH IN BANK, MERIT BANK, GOFF, KANSAS	
- CERTIFICATE OF DEPOSITS	<u>205,162.69</u>
CASH IN BANK, MORRILL & JAMES BANK, SABETHA, KANSAS	
- ACCOUNTS	<u>2,644,593.37</u>
CASH IN BANK, COMMUNITY NATIONAL BANK, SENECA, KANSAS	
- CERTIFICATE OF DEPOSIT	<u>1,654,886.22</u>
CASH IN BANK, STATE BANK OF BERN, BERN, KANSAS	
- ACCOUNTS	1,284,381.10
- CERTIFICATE OF DEPOSITS	134,733.37
SUBTOTAL	<u>1,419,114.47</u>
TOTAL CASH	8,773,240.53
LESS AGENCY FUNDS per SCHEDULE 3	<u>(96,036.96)</u>
TOTAL REPORTING ENTITY (Excluding Agency Funds)	<u>\$ 8,677,203.57</u>

THE NOTES TO THE FINANCIAL STATEMENT ARE AN INTEGRAL PART OF THIS STATEMENT.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Municipal Financial Reporting Entity

Prairie Hills Unified School District No. 113 is a municipal corporation governed by an elected seven-member board. This regulatory financial statement presents Prairie Hills Unified School District No. 113 (the District) and does not include any related municipal entities.

B. Regulatory Basis Fund Types

General Fund—the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund—used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund—used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund—used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

C. Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America—The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

D. Reimbursements

Prairie Hills Unified School District No. 113 records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis accounting.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

E. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding fiscal year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds: textbook rental, contingency reserve, and all federal program and grant funds.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

F. Property Tax

The county clerk calculates the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the county treasurer, who prepares tax statements and receives payment.

Taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 21st and May 11th. Delinquent taxes were assessed interest at 6% per annum for the calendar year 2014 and 4% per annum for calendar year 2015. This interest is retained by the county.

Taxes levied to finance the budget are made available to the district after January 1st and are distributed by the county treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2015

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance With Finance-Related Legal and Contractual Provisions

K.S.A. 75-3317 through 75-3322 makes mandatory the purchase of products offered by Kansas industries for the blind and severely disabled. "The Kansas Use Law" states that when a unified school district has need to purchase products such as those listed in the Kansas State Use Catalog, it is a violation of Kansas law to purchase from any source other than those specified on the website or catalog. USD #113 did purchase \$6,159.85 from these industries in fiscal year 2014-2015 but reasonably not all janitorial or office supplies needed throughout the school year were purchased from those specified by the State.

K.S.A. 72-6760 requires expenditures greater than \$20,000 for construction or purchases of materials to be awarded to the lowest bidder through the sealed bid process. The district spent \$32,874.31 on janitorial supplies from Pur-O-Zone which was not put out for bid.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located or in an adjoining county if the institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2015.

At June 30, 2014, the carrying amount of the district's deposits was \$8,773,240.53 and the bank balance was \$8,811,668.63. The bank balance was held by six banks resulting in a concentration of credit risk. Of the bank balance, \$1,324,212.09 was covered by federal depository insurance and \$7,487,456.54 was collateralized with securities held by the pledging financial institutions' agents in the district's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
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NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2015

4. IN-SUBSTANCE RECEIPT IN TRANSIT

The District received \$548,966.00 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

5. LONG-TERM DEBT

Changes in long-term liabilities for the district for the year ended June 30, 2015 were as follows:

ISSUE	INTEREST RATES	DATE OF ISSUE	AMOUNT OF ISSUE	DATE OF FINAL MATURITY	BEGINNING PRINCIPAL OUTSTANDING	ADDITIONS TO PRINCIPAL	REDUCTIONS OF PRINCIPAL	NET CHANGE IN PRINCIPAL	ENDING PRINCIPAL OUTSTANDING	INTEREST PAID
GENERAL OBLIGATION BONDS: SERIES 2009- #441	3.0 - 4.45%	4/17/2009	\$ 8,345,000.00	9/1/2029	\$ 7,770,000.00	\$ 0.00	\$ 260,000.00	\$ (260,000.00)	\$ 7,510,000.00	\$ 304,343.76
REFUNDING SERIES 2014- #113	2.00%	4/23/2014	1,515,000.00	9/1/2020	1,515,000.00	0.00	195,000.00	(195,000.00)	1,320,000.00	23,300.00
BUILDING ENERGY IMPROVEMENT LEASE UNITED BANK	3.97 - 5.97%	11/3/2009	857,759.00	7/15/2024	618,180.10	0.00	49,231.49	(49,231.49)	568,948.61	30,723.55
					\$ 9,903,180.10	\$ 0.00	\$ 504,231.49	\$ (504,231.49)	\$ 9,398,948.61	\$ 358,367.31

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	YEAR		2016	2017	2018	2019	2020	2021-2025	2026-2030	TOTAL
PRINCIPAL										
GENERAL OBLIGATION BONDS-2009- #441			\$ 285,000.00	\$ 305,000.00	\$ 330,000.00	\$ 360,000.00	\$ 390,000.00	\$ 2,430,000.00	\$ 3,410,000.00	\$ 7,510,000.00
GENERAL OBLIGATION REFUNDING BONDS-2014- #113			210,000.00	210,000.00	205,000.00	225,000.00	230,000.00	240,000.00	0.00	1,320,000.00
BUILDING ENERGY IMPROVEMENT LEASE			0.00	51,600.82	54,242.85	56,938.72	59,768.58	346,397.64	0.00	568,948.61
INTEREST										
GENERAL OBLIGATION BONDS-2009- #441			295,990.63	286,505.00	275,697.50	263,252.50	249,665.00	994,037.50	393,621.25	2,758,769.38
GENERAL OBLIGATION REFUNDING BONDS-2014- #113			24,300.00	20,100.00	15,950.00	11,650.00	7,100.00	2,400.00	0.00	81,500.00
BUILDING ENERGY IMPROVEMENT LEASE			0.00	28,354.22	25,712.19	23,016.32	20,186.46	64,509.28	0.00	161,778.47
TOTAL PRINCIPAL AND INTEREST			\$ 815,290.63	\$ 901,560.04	\$ 906,602.54	\$ 939,857.54	\$ 956,720.04	\$ 4,077,344.42	\$ 3,803,621.25	\$ 10,999,496.46

6. INTERFUND TRANSFERS

From	To	Statutory Authority	Amount
General Fund	Special Education	K.S.A. 72-6428	\$ 814,128.47
General Fund	Bilingual Education	K.S.A. 72-6428	771.00
General Fund	At Risk K-12	K.S.A. 72-6428	145,000.00
General Fund	Contingency Reserve	K.S.A. 72-6428	826,340.88
General Fund	Vocational Education	K.S.A. 72-6428	4,543.00
General Fund	Capital Outlay	K.S.A. 72-6428	140,996.06
Supplemental General	Professional Development	K.S.A. 72-6433	35,000.00
Supplemental General	Special Education	K.S.A. 72-6433	500,000.00
Supplemental General	At Risk K-12	K.S.A. 72-6433	358,159.05
Supplemental General	At Risk (4 Yr. Old)	K.S.A. 72-6433	60,945.81
Supplemental General	Food Service	K.S.A. 72-6433	18,113.94

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2015

Supplemental General	Vocational Education	K.S.A. 72-6433	364,799.08
Supplemental General	Textbooks	K.S.A. 72-6433	34,000.00
Construction & Building	Bond & Interest - #441	K.S.A. 10-117 & 10-132	100,000.00

7. DEFINED BENEFIT PENSION PLAN

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective January 1, 2015 KPERS has three benefit structures and funding depends on whether the employee is a Tier 1, Tier 2 or Tier 3 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009 and prior to January 1, 2015. Tier 3 members are employed on or after January 1, 2015 and have a contribution rate of 6%. Kansas law establishes the KPERS member-employee contribution rate of 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Effective January 1, 2015, Tier 1 member-employee contribution rate changed to 6% of covered salary. Member employees' contributions are withheld by their employer and paid to KPERS according to provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share.

Net Pension Liability. The total pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014 the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability is \$10,061,091 as of June 30, 2014. The complete actuarial valuation report including assumptions and methods is publically available on the website at www.kpers.org or can be obtained as described in the first paragraph above.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Termination Benefits. The District provides an early retirement program for eligible certified staff. The board shall pay the retiree an annual lump sum of \$3,000 into the retiree's 403 (b) account with a current district provided vendor for a period not to exceed the lesser of 5 years or the year the retiree is eligible to receive Medicare. If written notification is given on or before January 5 of the year of retirement and the certified staff member has been an employee for 20 or more years, a \$3,000 bonus will be put into their 403 (b) account.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2015

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (cont.)

They will also receive the Early Retirement Incentive. In exchange for the bonus, the staff member will forfeit the \$15 a day pay for accumulated sick leave. 100% of the dollar amount is paid with 20 years of service, 80% with 16 years of service and 60% with 12 years of service with the District. Payments to retired employees under this plan were \$50,765.00 for the year ended June 30, 2015.

Fringe Benefits. The District shall pay \$315 per month toward a district health insurance premium for all certified employees. Employees may also elect to participate in a flexible benefit plan with one or more of the following options:

- dependent care insurance
- health insurance
- life insurance
- disability insurance
- cancer insurance
- medical reimbursement

Compensated Absences. The District's policies regarding vacation and sick leave are: Teachers are allowed 10 days sick leave accumulative to 90 days, one day bereavement leave, and three days personal leave accumulative to 5 days maximum. One additional day of sick leave is allowed for each month employed beyond a nine month contract; non-certified full-time employees are allowed ten days sick leave accumulative to 70 days, three days personal leave accumulative to sick leave if not used, and two weeks vacation for one to ten years employment and three weeks vacation after ten years; the superintendent is allowed 13 days sick leave accumulative to 90 days and 20 days vacation; the assistant superintendent is allowed 13 days sick leave accumulative to 90 days and 20 days vacation; the principals are allowed 13 days sick leave accumulative to 90 days and 25 days vacation. Teachers may choose to receive \$85 per unused personal day or roll unused days into their sick leave or roll 1 personal day to accumulate up to a maximum of 5 days in any year.

Liability for compensated absences is not reflected in the financial statements.

9. SALE OF SCHOOL PROPERTY

The District sold the Summerfield school building and property to the City of Summerfield for \$1.00.

10. CAPITAL PROJECT

The District finished the capital project years ago but has a remaining balance which is being transferred to Bond and Interest Fund to pay off the bonds.

11. SUBSEQUENT EVENTS

The District's management has evaluated events and transactions occurring through October 12, 2015, the date which the financial statement was available to be issued.

12. COMMITMENTS AND CONTINGENCIES

Litigation

As of the audit date, there was no pending litigation which involved the Prairie Hills Unified School District #113.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2015

12. COMMITMENTS AND CONTINGENCIES (cont.)

Grant program involvement

The District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by grantors or their representatives for audit of these programs for or including the year ending June 30, 2015. These compliance audits have not been conducted as of October 12, 2015. Accordingly, the District's compliance with applicable grant agreements will be established at some future date. The amount of expenditures, which may be disallowed by the grantor agencies, cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FUNDS	CERTIFIED BUDGET	ADJUSTMENT TO		ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	TOTAL BUDGET FOR COMPARISON	EXPENDITURES CHARGEABLE TO CURRENT YEAR	VARIANCE - OVER (UNDER)
		COMPLY WITH LEGAL MAX					
GENERAL FUNDS							
GENERAL	\$ 8,530,634.00	\$ (78,966.00)	\$ 131,636.83	\$ 8,583,304.83	\$ 8,583,304.98	\$	0.15
SUPPLEMENTAL GENERAL	2,502,141.00	(13,336.00)	0.00	2,488,805.00	2,488,805.00		0.00
SPECIAL PURPOSE FUNDS							
CAPITAL OUTLAY	998,327.00	0.00	0.00	998,327.00	533,733.24		(464,593.76)
DRIVER TRAINING	25,745.00	0.00	0.00	25,745.00	17,437.33		(8,307.67)
FOOD SERVICE	810,523.00	0.00	0.00	810,523.00	673,870.41		(136,652.59)
PROFESSIONAL DEVELOPMENT	55,885.00	0.00	0.00	55,885.00	39,899.92		(15,985.08)
SPECIAL EDUCATION	1,406,798.00	0.00	0.00	1,406,798.00	1,250,617.98		(156,180.02)
KPERS SPECIAL RETIREMENT CONTRIBUTION	825,685.00	0.00	0.00	825,685.00	693,811.70		(131,873.30)
VOCATIONAL EDUCATION	538,297.00	0.00	0.00	538,297.00	371,508.32		(166,788.68)
AT RISK (K-12)	533,150.00	0.00	0.00	533,150.00	503,331.55		(29,818.45)
AT RISK (4 YR. OLD)	82,364.00	0.00	0.00	82,364.00	60,946.45		(21,417.55)
BILINGUAL EDUCATION	11,200.00	0.00	0.00	11,200.00	771.00		(10,429.00)
DEBT SERVICE FUNDS							
BOND AND INTEREST #441	564,344.00	0.00	0.00	564,344.00	564,343.76		(0.24)
BOND AND INTEREST #488	218,300.00	0.00	0.00	218,300.00	218,300.00		0.00

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 2
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GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
STATE SOURCES--			
GENERAL STATE AID	\$ 7,636,746.00	\$ 7,634,648.00	\$ 2,098.00
SPECIAL EDUCATION	813,076.00	892,050.00	(78,974.00)
DELINQUENT ADJMT	(9.05)	0.00	(9.05)
MINERAL PRODUCTION TAX	1,761.18	3,842.00	(2,080.82)
TOTAL STATE SOURCES	8,451,574.13	8,530,540.00	(78,965.87)
REIMBURSEMENTS	131,636.83	0.00	131,636.83
TOTAL CASH RECEIPTS	8,583,210.96	\$ 8,530,540.00	\$ 52,670.96
<u>EXPENDITURES</u>			
INSTRUCTION	4,384,381.34	\$ 4,513,471.00	\$ (129,089.66)
SUPPORT SERVICES:			
STUDENT SUPPORT	193,601.60	216,272.00	(22,670.40)
INSTRUCTIONAL SUPPORT	289,456.42	385,000.00	(95,543.58)
GENERAL ADMINISTRATION	520,189.73	140,562.00	379,627.73
SCHOOL ADMINISTRATION	121,646.69	261,313.00	(139,666.31)
CENTRAL SERVICES	0.00	200,606.00	(200,606.00)
OPERATIONS AND MAINTENANCE	716,441.13	664,452.00	51,989.13
STUDENT TRANSPORTATION	196,898.10	232,000.00	(35,101.90)
VEHICLE OPERATING SERVICE	106,525.36	227,038.00	(120,512.64)
VEHICLE SERVICES & MAINTENANCE	95,890.08	131,236.00	(35,345.92)
OTHER SUPPLEMENTAL SERVICE	14,443.01	0.00	14,443.01
STUDENT ACTIVITIES	12,052.11	0.00	12,052.11
OPERATING TRANSFERS TO:			
CAPITAL OUTLAY	140,996.06	140,484.00	512.06
BILINGUAL EDUCATION	771.00	1,200.00	(429.00)
SPECIAL EDUCATION	814,128.47	900,000.00	(85,871.53)
VOCATIONAL EDUCATION	4,543.00	120,000.00	(115,457.00)
AT RISK (4 YR OLD)	0.00	20,000.00	(20,000.00)
AT RISK (K-12)	145,000.00	340,000.00	(195,000.00)
CONTINGENCY RESERVE	826,340.88	0.00	826,340.88
FOOD SERVICE	0.00	37,000.00	(37,000.00)
ADJUSTMENT TO COMPLY WITH LEGAL MAX	0.00	(78,966.00)	78,966.00
LEGAL GENERAL FUND BUDGET	8,583,304.98	8,451,668.00	131,636.98
ADJUSTMENT FOR QUALIFYING BUDGET CREDITS	0.00	131,636.83	(131,636.83)
TOTAL EXPENDITURES	8,583,304.98	\$ 8,583,304.83	\$ 0.15
CASH RECEIPTS OVER (UNDER) EXPENDITURES	(94.02)		
UNENCUMBERED CASH, JULY 1, 2014	94.02		
UNENCUMBERED CASH, JUNE 30, 2015	\$ (0.00)		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 2
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SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAXES -2013	\$ 46,420.39	\$ 43,932.00	\$ 2,488.39
AD VALOREM PROPERTY TAXES -2014	1,484,647.33	1,341,311.00	143,336.33
DELINQUENT PROPERTY TAX	12,311.93	16,618.00	(4,306.07)
COMMERCIAL VEHICLE TAX	23,351.11	0.00	23,351.11
MOTOR VEHICLE TAX	140,379.22	140,613.00	(233.78)
RECREATIONAL VEHICLE TAX	2,144.25	1,940.00	204.25
SUPPLEMENTAL STATE AID	700,410.00	858,735.00	(158,325.00)
TOTAL CASH RECEIPTS	<u>2,409,664.23</u>	<u>\$ 2,403,149.00</u>	<u>\$ 6,515.23</u>
<u>EXPENDITURES</u>			
INSTRUCTION	0.00	\$ 26,734.00	\$ (26,734.00)
SUPPORT SERVICES:			
GENERAL ADMINISTRATION	205,969.36	482,166.00	(276,196.64)
SCHOOL ADMINISTRATION	607,145.19	464,050.00	143,095.19
CENTRAL SERVICES	0.00	107,000.00	(107,000.00)
OPERATIONS & MAINTENANCE	291,963.65	322,470.00	(30,506.35)
OPERATIONS & MAINTENANCE-TRANSPORTATION	52.31	0.00	52.31
OTHER SUPPLEMENTAL SERVICES	12,656.61	0.00	12,656.61
TRANSFERS:			
FOOD SERVICE	18,113.94	186,090.00	(167,976.06)
PROFESSIONAL DEVELOPMENT	35,000.00	55,400.00	(20,400.00)
SPECIAL EDUCATION	500,000.00	309,777.00	190,223.00
VOCATIONAL EDUCATION	364,799.08	255,621.00	109,178.08
TEXTBOOK & STUDENT MATERIALS	34,000.00	62,382.00	(28,382.00)
AT RISK 4 YR OLD	60,945.81	57,365.00	3,580.81
AT RISK (K-12)	358,159.05	173,086.00	185,073.05
ADJUSTMENT TO COMPLY WITH LEGAL MAX	<u>0.00</u>	<u>(13,336.00)</u>	<u>13,336.00</u>
TOTAL EXPENDITURES	<u>2,488,805.00</u>	<u>\$ 2,488,805.00</u>	<u>\$ (0.00)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	(79,140.77)		
UNENCUMBERED CASH, JULY 1, 2014	<u>98,991.59</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 19,850.82</u>		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 2
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CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAXES -2013	\$ 12,250.86	\$ 11,537.00	\$ 713.86
AD VALOREM PROPERTY TAXES -2014	502,977.85	468,122.00	34,855.85
DELINQUENT PROPERTY TAX	4,676.16	4,392.00	284.16
COMMERCIAL VEHICLE TAX	7,256.41	0.00	7,256.41
MOTOR VEHICLE TAX	47,506.53	46,878.00	628.53
RECREATIONAL VEHICLE TAX	715.11	646.00	69.11
INTEREST ON IDLE FUNDS	21,171.77	34,124.00	(12,952.23)
OTHER REVENUE	32,293.55	11,250.00	21,043.55
STATE AID	43,007.00	78,020.00	(35,013.00)
TRANSFER FROM GENERAL FUND	140,996.06	140,484.00	512.06
TOTAL CASH RECEIPTS	812,851.30	\$ 795,453.00	\$ 17,398.30
<u>EXPENDITURES</u>			
INSTRUCTION - PROPERTY (EQUIP. & FURN.)	13,920.03	\$ 21,000.00	\$ (7,079.97)
STUDENT SUPP. SERV. - PROPERTY (EQUIP. & FURN.)	34,065.55	450,000.00	(415,934.45)
GENERAL ADMINISTRATION - PROPERTY (EQUIP. & FURN.)	20,112.09	46,327.00	(26,214.91)
SCHOOL ADMINISTRATION - PROPERTY (EQUIP. & FURN.)	17,632.80	81,000.00	(63,367.20)
OPERATIONS & MAINTENANCE - PROPERTY (EQUIP. & FURN.)	250,662.40	300,000.00	(49,337.60)
TRANSPORTATION - PROPERTY (EQUIP. & FURN.)	38,000.00	0.00	38,000.00
FACILITIES - REPAIR & REMODELING BUILDING	158,396.38	100,000.00	58,396.38
FACILITIES - OTHER	943.99	0.00	943.99
TOTAL EXPENDITURES	533,733.24	\$ 998,327.00	\$ (464,593.76)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	279,118.06		
UNENCUMBERED CASH, JULY 1, 2014	1,840,817.85		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 2,119,935.91		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 2
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DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 7,719.00	\$ 6,800.00	\$ 919.00
OTHER LOCAL REVENUE	12,087.50	12,000.00	87.50
 TOTAL CASH RECEIPTS	 19,806.50	 \$ 18,800.00	 \$ 1,006.50
 <u>EXPENDITURES</u>			
INSTRUCTION	12,881.06	\$ 20,060.00	\$ (7,178.94)
VEHICLE OPERATIONS & MAINTENANCE	4,556.27	5,685.00	(1,128.73)
 TOTAL EXPENDITURES	 17,437.33	 \$ 25,745.00	 \$ (8,307.67)
 CASH RECEIPTS OVER (UNDER) EXPENDITURES	 2,369.17		
 UNENCUMBERED CASH, JULY 1, 2014	 35,870.66		
 UNENCUMBERED CASH, JUNE 30, 2015	 \$ 38,239.83		

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 693,811.70	\$ 825,685.00	\$ (131,873.30)
 <u>EXPENDITURES</u>			
INSTRUCTION	442,327.42	\$ 525,000.00	\$ (82,672.58)
STUDENT SUPPORT	22,799.75	24,000.00	(1,200.25)
INSTRUCTIONAL SUPPORT	33,430.33	34,000.00	(569.67)
GENERAL ADMINISTRATION	33,385.80	30,000.00	3,385.80
SCHOOL ADMINISTRATION	39,892.05	65,000.00	(25,107.95)
OTHER SUPPLEMENTAL SERVICES	27,969.08	30,000.00	(2,030.92)
OPERATIONS & MAINTENANCE	41,935.20	45,000.00	(3,064.80)
STUDENT TRANSPORTATION SERVICES	22,448.44	28,000.00	(5,551.56)
OTHER SUPPORT SERVICES	0.00	14,685.00	(14,685.00)
FOOD SERVICE	29,623.63	30,000.00	(376.37)
 TOTAL EXPENDITURES	 693,811.70	 \$ 825,685.00	 \$ (131,873.30)
 CASH RECEIPTS OVER (UNDER) EXPENDITURES	 0.00		
 UNENCUMBERED CASH, JULY 1, 2014	 0.00		
 UNENCUMBERED CASH, JUNE 30, 2015	 \$ 0.00		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 2
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FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
STATE OF KANSAS - FEDERAL AID	\$ 274,803.47	\$ 283,490.00	\$ (8,686.53)
- STATE AID	7,146.96	6,386.00	760.96
MEALS	349,511.57	349,379.00	132.57
TRANSFER FROM GENERAL FUND	0.00	37,000.00	(37,000.00)
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	18,113.94	186,090.00	(167,976.06)
OTHER REVENUE	15,077.43	3,000.00	12,077.43
 TOTAL CASH RECEIPTS	 <u>664,653.37</u>	 <u>\$ 865,345.00</u>	 <u>\$ (200,691.63)</u>
<u>EXPENDITURES</u>			
OPERATIONS & MAINTENANCE	9,690.00	\$ 550.00	\$ 9,140.00
FOOD SERVICE OPERATION	664,180.41	809,973.00	(145,792.59)
 TOTAL EXPENDITURES	 <u>673,870.41</u>	 <u>\$ 810,523.00</u>	 <u>\$ (136,652.59)</u>
 CASH RECEIPTS OVER (UNDER) EXPENDITURES	 (9,217.04)		
UNENCUMBERED CASH, JULY 1, 2014	<u>239,172.00</u>		
UNENCUMBERED CASH, JUNE 30, 2015	\$ <u>229,954.96</u>		

CONSTRUCTION AND BUILDING IMPROVEMENTS

	14-15 ACTUAL
<u>CASH RECEIPTS</u>	
INTEREST EARNED	\$ <u>13,387.80</u>
<u>EXPENDITURES</u>	
OTHER EXPENSES	-
TRANSFER TO BOND & INTEREST	<u>100,000.00</u>
 TOTAL EXPENDITURES	 <u>100,000.00</u>
 CASH RECEIPTS OVER (UNDER) EXPENDITURES	 (86,612.20)
UNENCUMBERED CASH, JULY 1, 2014	<u>1,787,242.58</u>
UNENCUMBERED CASH, JUNE 30, 2015	\$ <u>1,700,630.38</u>

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 2
PAGE 6 OF 15

PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	\$ 35,000.00	\$ 55,400.00	\$ (20,400.00)
<u>EXPENDITURES</u>			
INSTRUCTION SUPPORT	39,899.92	\$ 55,885.00	\$ (15,985.08)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	(4,899.92)		
UNENCUMBERED CASH, JULY 1, 2014	79,616.81		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 74,716.89		

BILINGUAL EDUCATION FUND

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
OTHER LOCAL REVENUE	\$ 0.00	\$ 10,000.00	\$ (10,000.00)
TRANSFER FROM GENERAL FUND	771.00	1,200.00	(429.00)
TOTAL CASH RECEIPTS	771.00	\$ 11,200.00	\$ (10,429.00)
<u>EXPENDITURES</u>			
INSTRUCTION	771.00	\$ 11,200.00	\$ (10,429.00)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	0.00		
UNENCUMBERED CASH, JULY 1, 2014	0.00		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 0.00		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 2
PAGE 7 OF 15

SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>14-15 ACTUAL</u>	<u>14-15 BUDGET</u>	<u>VARIANCE - OVER (UNDER)</u>
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL FUND	\$ 814,128.47	\$ 900,000.00	\$ (85,871.53)
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	<u>500,000.00</u>	<u>309,777.00</u>	<u>190,223.00</u>
TOTAL CASH RECEIPTS	<u>1,314,128.47</u>	<u>\$ 1,209,777.00</u>	<u>\$ 104,351.47</u>
<u>EXPENDITURES</u>			
INSTRUCTION	1,225,714.86	\$ 1,394,798.00	\$ (169,083.14)
STUDENT SUPPORT SERVICES	1,199.80	3,000.00	(1,800.20)
GENERAL ADMINISTRATION	0.00	500.00	(500.00)
STUDENT TRANSPORTATION SERVICES	14,390.99	7,000.00	7,390.99
VEHICLE OPERATING SERVICES	<u>9,312.33</u>	<u>1,500.00</u>	<u>7,812.33</u>
TOTAL EXPENDITURES	<u>1,250,617.98</u>	<u>\$ 1,406,798.00</u>	<u>\$ (156,180.02)</u>
CASH RECEIPTS OVER (UNDER) EXPENDITURES	63,510.49		
UNENCUMBERED CASH, JULY 1, 2014	<u>702,935.06</u>		
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 766,445.55</u>		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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VOCATIONAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
STATE OF KANSAS - STATE AID	\$ 6,541.00	\$ 6,773.00	\$ (232.00)
TRANSFER FROM GENERAL FUND	4,543.00	120,000.00	(115,457.00)
TRANSFER FROM SUPPLEMENTAL GENERAL FUND	364,799.08	255,621.00	109,178.08
TOTAL CASH RECEIPTS	375,883.08	\$ 382,394.00	\$ (6,510.92)
<u>EXPENDITURES</u>			
INSTRUCTION	327,178.94	\$ 528,474.00	\$ (201,295.06)
INSTRUCTION SUPPORT STAFF	39,358.85	0.00	39,358.85
STUDENT TRANSPORTATION SERVICES	4,970.53	9,823.00	(4,852.47)
TOTAL EXPENDITURES	371,508.32	\$ 538,297.00	\$ (166,788.68)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	4,374.76		
UNENCUMBERED CASH, JULY 1, 2014	206,168.24		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 210,543.00		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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AT RISK (4 YR OLD)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL	\$ 0.00	\$ 20,000.00	\$ (20,000.00)
TRANSFER FROM SUPPLEMENTAL GENERAL	60,945.81	57,365.00	3,580.81
TOTAL CASH RECEIPTS	60,945.81	\$ 77,365.00	\$ 16,419.19
<u>EXPENDITURES</u>			
INSTRUCTION	50,027.33	\$ 71,598.00	\$ (21,570.67)
STUDENT TRANSPORTATION SERVICES	10,919.12	10,766.00	153.12
TOTAL EXPENDITURES	60,946.45	\$ 82,364.00	\$ (21,417.55)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	(0.64)		
UNENCUMBERED CASH, JULY 1, 2014	30,000.64		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 30,000.00		

AT RISK (K-12)

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
TRANSFER FROM GENERAL	\$ 145,000.00	\$ 340,000.00	\$ (195,000.00)
TRANSFER FROM SUPPLEMENTAL GENERAL	358,159.05	173,086.00	185,073.05
TOTAL CASH RECEIPTS	503,159.05	\$ 513,086.00	\$ (9,926.95)
<u>EXPENDITURES</u>			
INSTRUCTION	503,331.55	\$ 533,150.00	\$ (29,818.45)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	(172.50)		
UNENCUMBERED CASH, JULY 1, 2014	131,868.41		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 131,695.91		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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BOND AND INTEREST FUND (USD #441)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAX -2013	\$ 5,439.58	\$ 4,425.00	\$ 1,014.58
-2014	259,981.85	242,474.00	17,507.85
DELINQUENT PROPERTY TAXES	4,340.59	1,686.00	2,654.59
COMMERCIAL VEHICLE TAX	2,991.22	0.00	2,991.22
MOTOR VEHICLE TAX	29,439.72	27,294.00	2,145.72
RECREATIONAL VEHICLE TAX	444.63	376.00	68.63
OTHER REVENUE FROM LOCAL SOURCE	0.00	100,000.00	(100,000.00)
STATE AID	180,590.00	95,467.00	85,123.00
TRANSFER FROM BUILDING & CONSTRUCTION IMPROVEMENTS	100,000.00	0.00	100,000.00
TOTAL CASH RECEIPTS	583,227.59	\$ 471,722.00	\$ 111,505.59
<u>EXPENDITURES</u>			
INTEREST	304,343.76	\$ 304,344.00	\$ (0.24)
PRINCIPAL	260,000.00	260,000.00	0.00
TOTAL EXPENDITURES	564,343.76	\$ 564,344.00	\$ (0.24)
CASH RECEIPTS OVER (UNDER) EXPENDITURES	18,883.83		
UNENCUMBERED CASH, JULY 1, 2014	583,507.04		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 602,390.87		

BOND AND INTEREST FUND (USD #488)

	14-15 ACTUAL	14-15 BUDGET	VARIANCE - OVER (UNDER)
<u>CASH RECEIPTS</u>			
AD VALOREM PROPERTY TAX -2013	\$ 3,283.02	\$ 3,905.00	\$ (621.98)
-2014	152,530.78	141,104.00	11,426.78
DELINQUENT PROPERTY TAXES	103.77	1,672.00	(1,568.23)
COMMERCIAL VEHICLE TAX	3,749.08	0.00	3,749.08
MOTOR VEHICLE TAX	15,341.54	17,087.00	(1,745.46)
RECREATIONAL VEHICLE TAX	218.34	235.00	(16.66)
OTHER LOCAL REVENUE	187,525.00	187,525.00	0.00
TOTAL CASH RECEIPTS	362,751.53	\$ 351,528.00	\$ 11,223.53
<u>EXPENDITURES</u>			
INTEREST	23,300.00	\$ 23,300.00	\$ 0.00
PRINCIPAL	195,000.00	195,000.00	0.00
TOTAL EXPENDITURES	218,300.00	\$ 218,300.00	\$ 0.00
CASH RECEIPTS OVER (UNDER) EXPENDITURES	144,451.53		
UNENCUMBERED CASH, JULY 1, 2014	294,363.48		
UNENCUMBERED CASH, JUNE 30, 2015	\$ 438,815.01		

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	TEXTBOOK RENTAL FUND	CONTINGENCY RESERVE FUND	CARL PERKINS
<u>CASH RECEIPTS</u>			
RENTAL FEES	\$ 26,634.83	\$ 0.00	\$ 0.00
KSHAA AND IPAD FEES	29,545.79	0.00	0.00
USD #115	0.00	0.00	4,336.85
TRANSFER FROM GENERAL	0.00	826,340.88	0.00
TRANSFER FROM SUPPLEMENTAL GENERAL	34,000.00	0.00	0.00
TOTAL CASH RECEIPTS	<u>90,180.62</u>	<u>826,340.88</u>	<u>4,336.85</u>
<u>EXPENDITURES</u>			
TEXTBOOKS	89,573.23	0.00	0.00
KSHAA AND IPAD FEES EXPENSE	16,545.42	0.00	0.00
SUPPLIES	0.00	0.00	3,748.00
OTHER	0.00	946.91	588.85
TOTAL EXPENDITURES	<u>106,118.65</u>	<u>946.91</u>	<u>4,336.85</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(15,938.03)	825,393.97	0.00
UNENCUMBERED CASH, JULY 1, 2014	<u>136,766.29</u>	<u>812,762.69</u>	<u>135.00</u>
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 120,828.26</u>	<u>\$ 1,638,156.66</u>	<u>\$ 135.00</u>

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>TITLE I FY 15</u>	<u>GREEN SCHOOLS GRANT</u>
<u>CASH RECEIPTS</u>		
STATE OF KANSAS	\$ <u>124,668.00</u>	\$ <u>2,740.93</u>
<u>EXPENDITURES</u>		
INSTRUCTION	124,668.00	0.00
PAID BACK GREEN SCHOOLS GRANT	<u>0.00</u>	<u>1,458.50</u>
TOTAL EXPENDITURES	<u>124,668.00</u>	<u>1,458.50</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	1,282.43
UNENCUMBERED CASH, JULY 1, 2014	<u>0.00</u>	<u>(1,282.43)</u>
UNENCUMBERED CASH, JUNE 30, 2015	\$ <u><u>0.00</u></u>	\$ <u><u>0.00</u></u>

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	TITLE II -A FY 15	HRSA	PEP
<u>CASH RECEIPTS</u>			
STATE OF KANSAS	\$ 49,789.00	\$ 0.00	\$ 0.00
USD #498	0.00	11,616.07	55,102.77
TOTAL CASH RECEIPTS	49,789.00	11,616.07	55,102.77
<u>EXPENDITURES</u>			
INSTRUCTION	49,789.00	0.00	0.00
HRSA EXPENSES	0.00	11,616.07	0.00
PEP EXPENSES	0.00	0.00	52,441.69
TOTAL EXPENDITURES	49,789.00	11,616.07	52,441.69
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	0.00	2,661.08
UNENCUMBERED CASH, JULY 1, 2014	0.00	0.00	(2,628.45)
UNENCUMBERED CASH, JUNE 30, 2015	\$ 0.00	\$ 0.00	\$ 32.63

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>MILLS MEMORIAL SCHOLARSHIP</u>	<u>SOURK MEMORIAL SCHOLARSHIP</u>	<u>GIFTS AND DONATIONS</u>
<u>CASH RECEIPTS</u>			
INVESTMENT INTEREST INCOME	\$ 169.00	\$ 8.81	\$ 0.00
OTHER DONATIONS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL REVENUE	<u>169.00</u>	<u>8.81</u>	<u>0.00</u>
<u>EXPENDITURES</u>			
DONATIONS EXPENSED	0.00	0.00	0.00
GRANT TO RECIPIENTS	<u>169.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL EXPENDITURES	<u>169.00</u>	<u>0.00</u>	<u>0.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	8.81	0.00
UNENCUMBERED CASH, JULY 1, 2014	<u>10,436.19</u>	<u>950.67</u>	<u>475.16</u>
UNENCUMBERED CASH, JUNE 30, 2015	<u>\$ 10,436.19</u>	<u>\$ 959.48</u>	<u>\$ 475.16</u>

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>HEIMAN-DICK SCHOLARSHIP</u>	<u>ROTHFELDER SCHOLARSHIP</u>
<u>CASH RECEIPTS</u>		
INTEREST	\$ <u>168.00</u>	\$ <u>81.92</u>
<u>EXPENDITURES</u>		
SCHOLARSHIPS	<u>168.00</u>	<u>1,000.00</u>
RECEIPTS OVER (UNDER) EXPENDITURES	0.00	(918.08)
UNENCUMBERED CASH, JULY 1, 2014	<u>24,000.00</u>	<u>11,651.45</u>
UNENCUMBERED CASH, JUNE 30, 2015	\$ <u><u>24,000.00</u></u>	\$ <u><u>10,733.37</u></u>

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BEGINNING CASH BALANCE	CASH RECEIPTS	CASH DISBURSEMENTS	ENDING CASH BALANCE
<u>STUDENT ORGANIZATION FUNDS</u>				
AXTELL PUBLIC SCHOOLS				
SOAR AS AN EAGLE SCHOLARSHIP-2012	\$ 10,065.80	\$ 1.98	\$ 10,067.78	\$ 0.00
SOAR AS AN EAGLE SCHOLARSHIP-2013	10,037.65	29.71	0.00	10,067.36
SOAR AS AN EAGLE SCHOLARSHIP-2014	10,007.23	29.71	0.00	10,036.94
SOAR AS AN EAGLE SCHOLARSHIP-2015	0.00	10,005.14	0.00	10,005.14
CLASS OF 2015	10,139.16	75.00	10,214.16	0.00
CLASS OF 2016	418.65	3,847.50	2,947.75	1,318.40
CLASS OF 2017	621.39	0.00	0.00	621.39
CLASS OF 2018	831.00	0.00	0.00	831.00
FBLA	790.82	760.88	746.16	805.54
ACSC-AXTELL COMM. SERVICE CLUB	5,118.13	6,778.90	5,913.37	5,983.66
FFA	3,587.57	9,346.50	11,215.11	1,718.96
SCHOLARSHIPS	100.00	1,934.91	2,034.91	0.00
HELEN KABRIAL SCHOLARSHIP	0.00	500.00	0.00	500.00
NATIONAL HONOR SOCIETY	536.32	1,880.00	965.76	1,450.56
STUCO	1,090.78	2,506.51	3,023.84	573.45
SUBTOTAL AXTELL PUBLIC SCHOOLS	53,344.50	37,696.74	47,128.84	43,912.40
WETMORE HIGH SCHOOL				
KAYS	1,148.10	5,024.32	5,841.00	331.42
STUCO	2,179.34	3,056.63	3,605.09	1,630.88
HONOR SOCIETY	645.82	683.95	772.40	557.37
CLASS OF 2009	400.09	0.00	0.00	400.09
CLASS OF 2011	411.34	0.00	0.00	411.34
CLASS OF 2012	297.99	0.00	0.00	297.99
CLASS OF 2013	460.42	0.00	0.00	460.42
CLASS OF 2014	1,103.44	0.00	0.00	1,103.44
CLASS OF 2015	3,713.28	115.00	1,460.65	2,367.63
CLASS OF 2016	829.72	15,302.78	12,699.69	3,432.81
SUBTOTAL WETMORE HIGH SCHOOL	11,189.54	24,182.68	24,378.83	10,993.39

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 3
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AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BEGINNING CASH BALANCE	CASH RECEIPTS	CASH DISBURSEMENTS	ENDING CASH BALANCE
<u>STUDENT ORGANIZATION FUNDS (cont.)</u>				
SABETHA HIGH SCHOOL				
STUDENT COUNCIL	\$ 6,296.52	\$ 35,248.55	\$ 32,930.73	\$ 8,614.34
KAYS	2,841.87	3,086.78	5,208.18	720.47
FFA	13,902.39	38,546.05	33,163.96	19,284.48
SABETHA BUSINESS CLUB	1,254.74	562.25	57.26	1,759.73
INTERNATIONAL CLUB	823.71	0.00	0.00	823.71
FFCLA	2,192.94	3,223.59	2,665.17	2,751.36
NATIONAL HONOR SOCIETY	774.40	314.65	0.00	1,089.05
FCA	682.47	144.00	492.23	334.24
CLASS OF 2014	782.06	0.00	782.06	0.00
CLASS OF 2015	3,159.53	0.00	2,386.57	772.96
CLASS OF 2016	760.00	17,966.94	15,177.14	3,549.80
CLASS OF 2017	361.03	510.00	0.00	871.03
CLASS OF 2018	0.00	560.00	0.00	560.00
SUBTOTAL SABETHA HIGH SCHOOL	33,831.66	100,162.81	92,863.30	41,131.17
 TOTAL AGENCY FUNDS	 \$ 98,365.70	 \$ 162,042.23	 \$ 164,370.97	 \$ 96,036.96

DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FUNDS	BEGINNING UNENCUMBERED CASH	PRIOR YEAR CANCELED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	ENDING UNENCUMBERED CASH	OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
	BALANCE				BALANCE		
GATE RECEIPTS FUNDS							
AXTELL PUBLIC SCHOOLS							
SENIOR HIGH ATHLETICS	\$ 5,168.78	\$ 0.00	\$ 18,070.47	\$ 19,514.82	\$ 3,724.43	\$ 0.00	\$ 3,724.43
JUNIOR HIGH ATHLETICS	1,970.55	0.00	3,798.01	3,904.84	1,863.72	0.00	1,863.72
WETMORE HIGH SCHOOL ATHLETICS	7,055.50	0.00	9,385.48	15,903.71	537.27	0.00	537.27
SABETHA HIGH SCHOOL ATHLETICS	45,047.10	0.00	111,327.30	132,762.23	23,612.17	0.00	23,612.17
SABETHA MIDDLE SCHOOL ATHLETICS	22,416.57	0.00	16,260.85	25,413.96	13,263.46	0.00	13,263.46
SUBTOTAL GATE RECEIPTS FUNDS	81,658.50	0.00	158,842.11	197,499.56	43,001.05	0.00	43,001.05
SCHOOL PROJECTS FUNDS							
AXTELL PUBLIC SCHOOLS							
SCHOOL PLAY	934.41	0.00	573.00	295.34	1,212.07	0.00	1,212.07
STUDENT PURCHASES/REVOLVING	25.26	0.00	8,435.74	8,461.00	0.00	0.00	0.00
FFA FARM SAFETY	452.49	0.00	542.25	333.38	661.36	0.00	661.36
SALES TAX	52.66	0.00	1,767.28	1,819.94	0.00	0.00	0.00
ANNUAL	8,098.05	0.00	3,035.59	3,769.97	7,363.67	0.00	7,363.67
AHS CHEERLEADERS	5.07	0.00	3,249.44	2,325.82	928.69	0.00	928.69
AHS MUSIC/BAND	948.92	0.00	12.84	172.11	789.65	0.00	789.65
AG CLASSROOM TOOL REPLACEMENT	1,669.06	0.00	43.75	417.45	1,295.36	0.00	1,295.36
CLASS OF 2014 SCHOLARSHIP	5,009.94	0.00	0.00	5,009.94	0.00	0.00	0.00
2014 HELP COMM GROW GRANT	412.16	0.00	0.00	10.56	401.60	0.00	401.60
LIBRARY BOOK FUND	434.81	0.00	3,405.87	3,498.45	342.23	0.00	342.23
FACULTY	41.43	0.00	249.99	190.50	100.92	0.00	100.92
TEACHER SUPPLIES - FUND RAISERS/DONATIONS	2,301.77	0.00	1,977.50	1,299.87	2,979.40	0.00	2,979.40
HCC COURSES ENGLISH	7,831.54	0.00	3,870.00	5,165.53	6,536.01	0.00	6,536.01
HCC COURSES MATH	1,125.60	0.00	1,365.00	227.82	2,262.78	0.00	2,262.78
HCC COURSES HISTORY	2,427.39	0.00	0.00	2,427.39	0.00	0.00	0.00
STUDENT ACTIVITY PROJECTS	827.78	0.00	4,806.60	1,088.26	4,546.12	0.00	4,546.12
AHS FB FUND	0.00	0.00	1,771.90	1,669.41	102.49	0.00	102.49
AHS BB FUND	167.25	0.00	0.00	0.00	167.25	0.00	167.25
ELEMENTARY BOXTOPS	1,641.88	0.00	332.90	265.80	1,708.98	0.00	1,708.98
PLAYGROUND EQUIPMENT	150.57	0.00	0.00	0.00	150.57	0.00	150.57
SUBTOTAL AXTELL PUBLIC SCHOOLS	34,558.04	0.00	35,439.65	38,448.54	31,549.15	0.00	31,549.15
WETMORE HIGH SCHOOL							
STUDENT ACTIVITY PROJECTS	5,964.84	0.00	9,816.08	11,271.99	4,508.93	0.00	4,508.93
LIBRARY PROJECT	25.78	0.00	27.56	0.00	53.34	0.00	53.34
PLAYGROUND	90.90	0.00	0.00	90.90	0.00	0.00	0.00
MUSIC	4,310.27	0.00	5,738.78	4,813.36	5,235.69	0.00	5,235.69
CARDINAL	6,207.92	0.00	5,893.22	4,667.76	7,433.38	0.00	7,433.38
CHEERLEADERS	1,104.77	0.00	5,449.25	6,492.08	61.94	0.00	61.94
HS PLC	531.52	0.00	0.00	0.00	531.52	0.00	531.52
BAND/VOCAL	243.67	0.00	658.10	345.97	555.80	0.00	555.80
SCHOLARSHIPS	0.00	0.00	1,200.00	1,200.00	0.00	0.00	0.00
BBALL FUNDRAISING	1,173.71	0.00	0.00	0.00	1,173.71	0.00	1,173.71
BOXTOPS	305.88	0.00	260.20	98.78	467.30	0.00	467.30
BAND CLEANING	625.14	0.00	0.00	0.00	625.14	0.00	625.14
COMPUTER FEES	2,173.22	0.00	30.00	0.00	2,203.22	0.00	2,203.22
SADD	54.71	0.00	9,487.41	8,721.49	820.63	0.00	820.63
SUBTOTAL WETMORE HIGH SCHOOL	22,812.33	0.00	38,560.60	37,702.33	23,670.60	0.00	23,670.60

DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	BEGINNING UNENCUMBERED CASH BALANCE	PRIOR YEAR CANCELED ENCUMBRANCES	CASH RECEIPTS	EXPENDITURES	ENDING UNENCUMBERED CASH BALANCE	OUTSTANDING ENCUMBRANCES AND ACCOUNTS PAYABLE	ENDING CASH BALANCE
SCHOOL PROJECTS FUNDS (cont.)							
SABETHA HIGH SCHOOL							
SADD	\$ 4,037.04	\$ 0.00	\$ 3,258.05	\$ 4,430.97	\$ 2,864.12	\$ 0.00	\$ 2,864.12
ANNUAL	2,028.10	0.00	15,078.75	15,566.35	1,540.50	0.00	1,540.50
ART	635.38	0.00	1,020.00	846.05	809.33	0.00	809.33
SHOP	0.00	0.00	2,903.47	0.00	2,903.47	0.00	2,903.47
LIFT-A-THON	539.89	0.00	4,536.00	3,734.68	1,341.21	0.00	1,341.21
DRAMA	3,651.98	0.00	2,892.66	2,122.39	4,422.25	0.00	4,422.25
BAND	1,028.48	0.00	1,052.78	830.36	1,250.90	0.00	1,250.90
VOCAL/MUSIC	43.09	0.00	0.00	0.00	43.09	0.00	43.09
ODYSSEY SINGERS	8,325.25	0.00	39,230.17	45,011.91	2,543.51	0.00	2,543.51
LIBRARY/LIBRARY FINES	23.47	0.00	180.06	161.81	41.72	0.00	41.72
ACT PREP	74.32	0.00	56.00	56.00	74.32	0.00	74.32
PUBLIC SPEAKING	16,963.64	0.00	9,625.49	9,760.40	16,828.73	0.00	16,828.73
BLUE CREW	511.72	0.00	200.00	515.12	196.60	0.00	196.60
ACADEMIC BANQUET	245.06	0.00	2,250.00	2,495.06	0.00	0.00	0.00
DRIVERS EDUCATION	595.51	0.00	10,087.50	10,087.50	595.51	0.00	595.51
PHYSICAL EDUCATION	20.11	0.00	0.00	0.00	20.11	0.00	20.11
JAY JAYS	4,928.94	0.00	29,466.20	32,132.08	2,263.06	0.00	2,263.06
JAY JOURNAL	791.25	0.00	2,358.32	2,075.00	1,074.57	0.00	1,074.57
MUSICAL	3,912.24	0.00	5,413.49	4,751.14	4,574.59	0.00	4,574.59
STUDENT ACTIVITY PROJECTS	20,613.62	0.00	25,006.85	19,940.79	25,679.68	0.00	25,679.68
SUBTOTAL SABETHA HIGH SCHOOL	68,969.09	0.00	154,615.79	154,517.61	69,067.27	0.00	69,067.27
SABETHA MIDDLE SCHOOL							
STUDENT ACTIVITY PROJECTS	28,634.77	0.00	6,328.02	5,096.19	29,866.60	0.00	29,866.60
TECHNOLOGY	0.00	0.00	510.25	308.36	201.89	0.00	201.89
STUDENT ASSISTANCE PROJECT	219.89	0.00	0.00	0.00	219.89	0.00	219.89
SALES TAX	291.09	0.00	1,222.79	1,218.45	295.43	0.00	295.43
FLOWER/COFFEE FUND	74.80	0.00	365.00	435.64	4.16	0.00	4.16
ART	3,781.18	0.00	304.00	2.00	4,083.18	0.00	4,083.18
STUCO	621.89	0.00	0.00	0.00	621.89	0.00	621.89
BAND	0.00	0.00	217.50	217.50	0.00	0.00	0.00
LIBRARY BOOK FAIR	757.59	0.00	18.00	73.36	702.23	0.00	702.23
COUNTRY MART EDUC	11,046.69	0.00	807.44	5,392.04	6,462.09	0.00	6,462.09
CONCESSIONS PROJECT	6,769.34	0.00	11,043.75	10,845.53	6,967.56	0.00	6,967.56
SUBTOTAL SABETHA MIDDLE SCHOOL	52,197.24	0.00	20,816.75	23,589.07	49,424.92	0.00	49,424.92
SABETHA ELEMENTARY SCHOOL							
NEEDY CHILDREN PROJECT	491.91	0.00	0.00	103.56	388.35	0.00	388.35
POP PROJECT	140.11	0.00	628.90	697.59	71.42	0.00	71.42
BOOK FAIR	2,536.66	0.00	2,221.37	843.30	3,914.73	0.00	3,914.73
TREE PROJECT	1,946.58	0.00	0.00	0.00	1,946.58	0.00	1,946.58
STUDENT ACTIVITIES (PICTURES) PROJECT	13,687.67	0.00	2,879.98	2,268.89	14,298.76	0.00	14,298.76
SUBTOTAL SABETHA ELEMENTARY SCHOOL	18,802.93	0.00	5,730.25	3,913.34	20,619.84	0.00	20,619.84
SUBTOTAL SCHOOL PROJECT FUNDS	197,339.63	0.00	255,163.04	258,170.89	194,331.78	0.00	194,331.78
TOTAL DISTRICT ACTIVITY FUNDS	\$ 278,998.13	\$ 0.00	\$ 414,005.15	\$ 455,670.45	\$ 237,332.83	\$ 0.00	\$ 237,332.83

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

OTHER SUPPLEMENTARY INFORMATION

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE 5

COMPARISON OF DEPOSITORY SECURITY WITH FUNDS ON DEPOSIT
6/30/2015

	F.D.I.C. COVERAGE	SECURITY PLEDGED		TOTAL COVERAGE	FUNDS ON DEPOSIT 6/30/2015	FUNDS AT RISK 6/30/2015
		PAR VALUE	MARKET VALUE			
<u>BANK</u>						
UNITED BANK & TRUST, SABETHA, KANSAS--						
DEMAND DEPOSITS	\$ 1,100.00			\$ 3,807,466.24	\$ 1,100.00	
TIME DEPOSITS	250,000.00	\$ 3,550,000.00	\$ 3,557,466.24		3,038,465.10	
SUBTOTAL	251,100.00	3,550,000.00	3,557,466.24	3,808,566.24	3,039,565.10	0.00
WETMORE NATIONAL BANK, WETMORE, KANSAS--						
DEMAND DEPOSITS	40,235.69				40,235.69	
TIME DEPOSITS	77,713.71				77,713.71	
SUBTOTAL	117,949.40	0.00	0.00	117,949.40	117,949.40	0.00
MERIT BANK, GOFF, KANSAS--						
TIME DEPOSITS	205,162.69	0.00	0.00	205,162.69	205,162.69	0.00
COMMUNITY NATIONAL BANK, SENECA, KANSAS--						
TIME DEPOSITS	250,000.00	1,500,000.00	1,588,408.50	1,838,408.50	1,654,886.22	0.00
MORRILL & JAMES BANK, SABETHA, KANSAS--						
TIME DEPOSITS	250,000.00	3,000,000.00	3,014,146.26	3,264,146.26	2,373,519.12	0.00
STATE BANK OF BERN, BERN, KANSAS--						
TIME DEPOSITS	250,000.00	1,330,000.00	1,382,070.05	1,632,070.05	1,420,586.10	0.00
TOTALS	\$ 1,324,212.09	\$ 9,380,000.00	\$ 9,542,091.05	\$ 10,866,303.14	\$ 8,811,668.63	\$ 0.00

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Kenneth L. Kickhaefer, CPA

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE
FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS

Board of Education
Prairie Hills Unified School District No. 113
Sabetha, Kansas 66534

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*, the financial statement of Prairie Hills Unified School District No. 113, Sabetha, Kansas, (the District) as of and for the year ended June 30, 2015 and the related notes to the financial statement, which collectively comprise the District's basic financial statement and have issued our report thereon dated October 12, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal controls such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency. (2015-001)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is

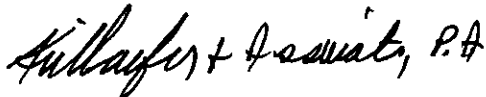
free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statement and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Kickhaefer & Associate, P.A.
Marysville, Kansas
October 12, 2015

KICKHAEFER & ASSOCIATE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133

Board of Education
Prairie Hills Unified School District No. 113
Sabetha, Kansas 66534

Report on Compliance for Each Major Federal Program

We have audited Prairie Hills Unified School District No. 113's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the fiscal year ended June 30, 2015. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with the *Kansas Municipal Auditing and Accounting Guide*; auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2015.

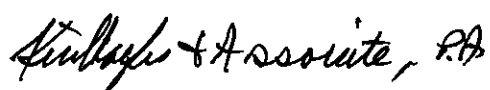
Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Kickhafer & Associate, P.A.
Marysville, Kansas
October 12, 2015

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	BEGINNING BALANCE 07-01-14	RECEIPTS	EXPENDITURES	ENDING BALANCE 06-30-15
U.S. DEPT. OF EDUCATION:						
PASS-THROUGH PROGRAMS FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
TITLE I - FY 15	84.010	\$ 124,668.00	\$ 0.00	\$ 124,668.00	\$ 124,668.00	\$ 0.00
TITLE II - A FY 15	84.367	49,789.00	0.00	49,789.00	49,789.00	0.00
NEK SCHOOL TO WORK CONSORTIUM:						
CARL PERKINS - SECONDARY IMPROVEMENT	84.048	7,463.00	0.00	7,463.00	7,463.00	0.00
USD #498:						
PHYSICAL EDUCATION PROGRAM (PEP)	84215F	55,261.10	(2,628.45)	55,261.10	52,600.02	32.63
TOTAL PASS-THROUGH PROGRAMS					<u>234,520.02</u>	
TOTAL U.S. DEPT OF EDUCATION					<u>234,520.02</u>	
U.S. DEPT. OF HEALTH AND HUMAN SERVICES:						
PASS-THROUGH PROGRAM FROM:						
KANSAS DEPT. OF HEALTH AND ENVIRONMENT:						
MEDICAL ASSISTANCE PROGRAM	93.778	16,934.22	0.00	16,934.22	16,934.22	0.00
KANSAS DEPARTMENT OF EDUCATION:						
YOUTH RISK BEHAVIOR SURVEY	93.079	1,700.00	0.00	1,700.00	1,700.00	0.00
USD #498:						
RURAL HEALTHCARE SERVICES OUTREACH (HRSA)	93.912	16,917.83	0.00	16,917.83	16,917.83	0.00
TOTAL PASS-THROUGH PROGRAMS					<u>35,552.05</u>	
TOTAL U.S. DEPT. OF HEALTH AND HUMAN SERVICES					<u>35,552.05</u>	
U.S. DEPT. OF AGRICULTURE:						
PASS-THROUGH PROGRAMS FROM:						
KANSAS DEPARTMENT OF EDUCATION:						
SCHOOL BREAKFAST PROGRAM	10.553	45,745.52	0.00	45,745.52	45,745.52	0.00
SCHOOL LUNCH PROGRAM	10.555	229,057.95	0.00	229,057.95	229,057.95	0.00
TOTAL CHILD NUTRITION CLUSTER					<u>274,803.47</u>	
TEAM NUTRITION TRAINING GRANT	10.574	2,037.00	0.00	2,037.00	2,037.00	0.00
TOTAL PASS-THROUGH PROGRAMS					<u>276,840.47</u>	
TOTAL U.S. DEPT. OF AGRICULTURE					<u>276,840.47</u>	
TOTAL EXPENDITURES OF FEDERAL AWARDS					<u>\$ 546,912.54</u>	

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2015

1. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Prairie Hills Unified School District No. 113, Sabetha, Kansas and is presented on the KMAAG regulatory basis of accounting which involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The schedule of expenditures of federal awards includes supplies and equipment which were purchased with federal monies by the pass through entity on behalf of USD #113 and distributed to the District. These amounts are included in receipts and expenditures. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statement. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

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PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the Prairie Hills Unified School District No. 113, Sabetha, Kansas' financial statement under the regulatory basis of accounting and an adverse opinion under GAAP dated October 12, 2015.
2. One significant deficiency relating to the audit of the financial statement is reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of Prairie Hills Unified School District No. 113, Sabetha, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses in internal control relating to the audit of the major federal award programs are reported in the Independent Auditors' Report of Compliance For Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Prairie Hills Unified School District No. 113, Sabetha, Kansas expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for Prairie Hills Unified School District No. 113, Sabetha, Kansas, that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The program tested as a major program is the Child Nutrition Cluster, CFDA #'s 10.553 and 10.555. The Child Nutrition Cluster is a U.S. Department of Agriculture program.
8. The dollar threshold between Type A programs and Type B programs was \$300,000.
9. The Prairie Hills Unified School District No. 113, Sabetha, Kansas, did not qualify under Section 530 as a low-risk auditee and therefore was not eligible for reduced audit coverage in accordance with Section 520.

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT.)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FINDINGS – FINANCIAL STATEMENT AUDIT

2015-001 Bid Procedure Violation

Condition: No sealed bids were taken for the expenditure of \$32,874.31 from Pur-O-Zone for janitorial supplies.

Criteria: The school district should ensure that proper steps are taken in getting sealed bids for expenditures over \$20,000.

Cause: The district did not catch the expenditure that was over \$20,000 and the person in charge of purchasing the year-end supplies did not realize the requirement to bid such items.

Effect: No sealed bids were received for the purchase and that was a violation of K.S.A. 72-6760.

Recommendation: The district should communicate to the head janitor the need to bid purchases which are over \$20,000 and not approve such expenditures without going through the sealed bid process.

Views of Responsible Officials and Planned Corrective Actions: The district agrees with the finding and the recommendation. Careful consideration will be given expenditures which need to go through the sealed bid process.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

None

PRAIRIE HILLS UNIFIED SCHOOL DISTRICT NO. 113
SABETHA, KANSAS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

2014-1

Condition: The district expended over the budget authority in the Bond & Interest Fund.

Recommendation: The district should have republished to have budget authority.

Current Status: This was an unusual event which is unlikely to happen again. The district will be better prepared for such an event in the future.

2014-2

Condition: No sealed bids were taken for an expenditure of \$20,940.00 for carpet.

Recommendation: The Superintendent and Board of Education need to be aware of the sealed bid requirements for expenditures over \$20,000.

Current Status: The district used the proper procedures for bids on four other projects but failed to catch the expenditure for janitorial supplies which was over \$20,000 in the current year.

PRIOR YEAR FINDINGS – MAJOR FEDERAL AWARD PROGRAMS

None